

Maintenance of Effort (MOE)

To ensure that Title I, Part A funds are used to provide services that are in addition to the regular services normally provided by an LEA for participating children, three fiscal requirements related to the expenditure of regular State and local funds must be met by the LEA. An LEA must:

- (1) Maintain State and local effort;
- (2) Provide services in project areas with State and local funds that are at least comparable to services provided in areas not receiving Part A services; and
- (3) Use Part A funds to supplement, not supplant regular non-Federal funds.

MOE is an annual calculation of the combined fiscal effort (per pupil or the aggregate expenditures) of a school district. The annual calculation is used for the comparison of two fiscal years to determine if the district has provided the effort necessary with state and local funds for a free public education. Fiscal effort that meets federal requirements must be maintained in order for the district to receive Title I funds.

To ensure the district's fiscal effort is maintained, a worksheet must be completed for each of the two years in the comparison. The school district's annual Audit Report is the source data for each of the two years. The business office of the school district may archive the necessary Audit Reports for this procedure. The sum of the calculated MOE for each of the two comparison years (preceding and second preceding) must be noted on page one of the school district's application for Title I funds. Refer to Federal Guidance for Fiscal Issues for additional information and examples